



Senator Beverly Gard

200 W. Washington St.
Indianapolis, IN 46204

News from the Indiana State Senate

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No Child Left Behind

The biggest challenge many states are facing on education is how to implement the No Child Left Behind Act of 2001(NCLB) that was signed into law by President George W. Bush on January 8, 2003. The act expanded the federal role in education and set in place requirements that reach into every public school in America.

Thanks to the leadership of the General Assembly, Indiana helped lead the nation in school reform with the passage of Public Law 221 in 1999. P.L. 221 is Indiana's school improvement and accountability law that put in motion many of the same requirements that NCLB requires. The law focuses on improving education for all schools and ensuring Hoosier students have the skills they need to succeed.

Both NCLB and P.L. 221 require the fol-

lowing of our schools and educators:

- High academic standards
- Assessment using tests aligned with the standards
- Accountability for achievement
- Focus on the needs of all children
- Highly qualified teachers
- School safety measures
- School report cards
- Comprehensive data system (www.asap.state.in.us)

For more information,
visit the Indiana
Department of
Education's website
at
www.doe.state.in.us

In recent months there has been criticism of potential flaws in NCLB. Congress and the Federal Department of Education are working to address these concerns, to allow more flexibility for low performing schools and to improve special education. The General Assembly is committed to making sure that Indiana continues to ensure that no child is left behind.

Commission Studies Methods to Replace Property Taxes

The Property Tax Replacement Study Commission, which has met several times at the Statehouse. The property tax situation in Indiana is a frustration shared by many as the newly-formed committee, consisting of legislators, farmers, businessmen, and homeowners, develops methods to reduce local government's reliance on property taxes.

The reassessment process is complete in 90 counties, and agencies and organizations are collecting data that will aid the committee and the legislature in figuring ways to replace over \$5.5 billion in property taxes collected each year and to provide oversight of over 9,000 levies and 172 different types of funds for local government programs and services.

This monumental task is being conducted

due to a law passed during the 2004 legislative session. The commission must study the effects of eliminating 50 percent, 75 percent and 100 percent of net property tax levies.

One major hurdle for the commission is to identify revenue sources capable of replacing property taxes and providing sufficient revenue to maintain essential government services. The commission will submit status reports to the Legislative Council, which is the administrative body of the General Assembly, in September.

The goal is to lessen local governments' dependence on property taxes and create a more equitable and fair method of funding local government. As the commission continues its work this year, I'll keep you informed of the progress or you can contact my office for further information.

Indiana Farms

..... Are They In Jeopardy?

Indiana loses approximately 100,000 acres of farmland a year to the growth and development of subdivided neighborhoods. Hamilton and Johnson Counties have seen the most urban growth in recent years and because of that, family farms are being forced to sell out to developers.

According to the Indiana Agricultural Statistics Services at Purdue University, the majority of farm loss occurred in mid-size farms and operations, which annually generate between \$10,000 and \$100,000 per farm. Smaller and larger farms are either growing or have been profitable enough to continue their operations.

This same research has found that commercial farms are consistently large enough to produce a positive return and those who own smaller farms are not living solely off of the crop revenue.

We in the legislature have tried to step in and help prevent Indiana from losing more farms. In

the 2004 legislative session, I co-authored a measure that would encourage the preservation of farmland. Senate Bill 362 would have allowed the Indiana Land Resource Council to work with local area planning departments to offer farmers and land owners compensation for voluntarily selling easements to restrict the land from developments.

I believed then, and still believe, that SB 362 will be of great significance to our farmers and farmland. SB 362 passed the Senate but did not pass the House of Representatives because of time constraints, but look for a similar bill during the 2005 legislative session.

Farmland has been and will continue to be the foundation for Indiana's largest industry. We must work together to save this precious land and Indiana's heritage.



Consumer Information

Unclaimed Property

The Attorney General reports thousands of unclaimed property listings all across the state of Indiana. Some possible sources of unclaimed property are: credit balances, old savings and checking accounts, unpaid wages, mutual fund shares, insurance proceeds, uncashed traveler's checks, and utility deposits.

You can contact the Indiana Attorney General's office to see if you or a relative has a claim.

Visit www.indianaunclaimed.com or call, toll-free, **1-866-IN-CLAIM** (1-866-462-5246).

Direct Mail Lists

Tired of receiving advertising through the mail? Remove your name from direct mail lists by visiting www.dmaconsumers.org or write to:

Mail Preference Service
Attn: Dept 12851374
Direct Marketing Association
PO Box 282
Carmel, NY 10512

National No-Call List

Indiana led the way with the creation of a no-call registry. Federal legislators followed suit by creating a national do not call list. Consumers now can list both home and mobile phone numbers in order to prevent unsolicited telemarketing calls. To register your phone number on the national list, visit www.donotcall.gov. Additions to the list are updated every three months.

Voting Record

Voting on legislation is one of the largest responsibilities of being a member of the Senate. I am proud to report to the citizens of my district that I achieved a 100 percent voting attendance record during the 2004 legislative session. I was present for all 340 roll-call votes recorded during the nine-week long session.

The 2004 legislative session ended March 4. During the session, 503 Senate bills and 459 House Bills were filed. Ten percent of those bills were sent to and signed by the governor.

Are You a Part of Indiana's Do Not Call List?

Sign Up Online or By Telephone



Indiana is one of 40 states that has the means to protect citizens against unwanted and unsolicited phone calls. In 2001, the Indiana General Assembly passed the "Telephone Privacy Program," which provides consumers the opportunity to avoid telemarketer calls at home. The Indiana Telephone Privacy Program allows Hoosiers to put their home telephone numbers on a "do not call" list. This list is updated quarterly and distributed to telemarketing companies. These companies can face hefty fines if they are in violation of Indiana guidelines. Getting your name on this "do not call" list is surprisingly easy. To enroll, simply call the toll-free number **(1-888-834-9969)** or visit the Attorney General's website at www.in.gov/attorneygeneral/telephone/.

Because this program is in the early stages of implementation, there are still a

few kinks that need to be worked out. For example, now that telemarketers are unable to reach you at home, they are looking for another outlet. Later this year, a wireless subscriber directory sponsored by the Cellular Telecommunications and Internet Association, will be published. It is speculated that this directory will include about 75 percent of all mobile phone numbers and will be accessible by real estate agents, telemarketers and other on-the-go professionals.

The federal government also is addressing this issue with legislation that will prevent wireless-phone companies from automatically distributing cell numbers into this directory. To prevent your mobile phone number from being distributed, please add it to Indiana's "do not call" list.

Paying for College? Help is Just Around the Corner

For children, fall marks the beginning of the school year. For many parents, it brings the stark reality of college and its subsequent costs one year closer to fruition. With tuition prices skyrocketing, the dream of college can quickly turn into a nightmare. The state of Indiana now provides parents with a tool to help finance their children's higher education and gain extra tax benefits as a result.

Since 1997, CollegeChoice allows anyone over age 18 to contribute money into a group investment portfolio made up of a strategic mix of stocks, bonds and money market funds. The program provides contributors with an easy, hands-off way to save for college. Once enrolled, a team of experienced professionals manage the portfolio in order to maximize investment growth.

Individuals can establish an account with just \$50 per portfolio and \$25 subsequent monthly installments until con-

tributions reach \$236,750. No enrollment or application fee exists. The enrollee can name any person as a beneficiary regardless of age and the beneficiary can change at the enrollee's discretion.

Additionally, the investment grows tax-deferred and remains exempt from federal taxes if used for qualified higher education expenses. Whether public or private, the funds can be used at any eligible accredited post-secondary school, including graduate and vocational-technical schools.

Assuming only a 5 percent annual price increase, experts estimate that parents can expect to pay \$143,000 to put a child born today through four years of in-state public college and about \$306,000 for a private college. This sobering statistic highlights the importance of saving for college early. CollegeChoice offers individuals a useful tool to make sure college remains a



State Faces Tough Budget Decisions in 2005

Indiana Personal Income Lags the Nation

On July 12, the state closed the books for Fiscal Year 2004. According to official figures released by the State Budget Agency, the state is expected to have a "surplus" or "reserve" of just \$300 million on June 30, 2005 – the close of the current budget cycle. As shown on **Figure 1**, this means the state's reserve will have declined by nearly \$2 billion since 1998.

The problem is that state spending has been exceeding state revenues for the past several years. State revenue collections actually decreased in both Fiscal Years 2001 and 2002 before showing a 0.5 percent increase in 2003. Revenue collections increased by about 2.X percent for Fiscal Year 2004, the year that just ended.

In order to avoid big spending cuts in education and health care, the state has been using the surplus and employing spending delays and other temporary solutions. These measures make it possible for the state to spend nearly \$800 million more than it will collect this year. While there is nothing inherently wrong with these accounting measures – they have helped the state avoid big spending cuts in our schools – these measures are only one-time temporary fixes and cannot be sustained. So, while it may seem like Indiana's economy is

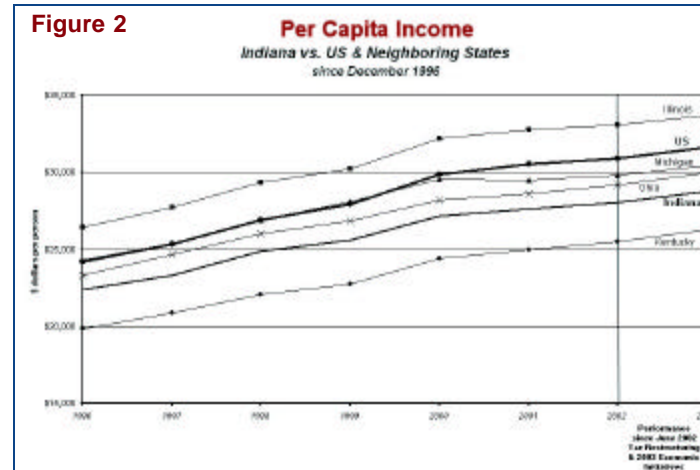
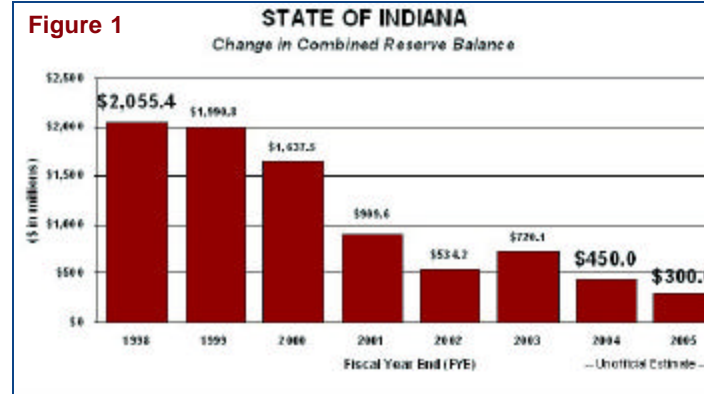
improving, the state's financial condition actually remains very weak.

A \$300 million reserve sounds like a lot of money. But with an annual \$11.2 billion General Fund Budget, including big items such as \$4.3 billion for K-12 education, \$2.1 billion for local property tax relief, \$1.4 billion for universities and \$1.2 billion for Medicaid, \$300 million really is not a sufficient reserve. In fact, the State Budget spends more than \$30 million per day every day of the year. A \$300 million reserve barely funds 10 days of expenses.

The root of Indiana's budget problems is slow revenue growth. Part of the problem is job loss due to the recession. But the real problem is that Indiana lags the nation in personal income growth. As reflected in **Figure 2**, the problem has steadily grown since 1996. Today, the average Hoosier worker earns only about 91 cents for every \$1.00 earned by the average worker nationwide. Just as Hoosier workers earn less, state tax revenues lag as well. If Indiana workers earned the same as the national average, the subsequent gain in tax revenues would erase the state's structural deficit. Indiana needs to improve its economy relative to the nation or Indiana's budget – and the ability to adequately fund priorities like education and health care – will remain a problem.

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SNAPSHOT: Senator Gard looks on as the governor signs SEA 188 in law. SEA 188 is a measure she authored that provides a birth problems and cancer registry.

The Indiana Senate Page Program

The General Assembly offers students an important learning opportunity at the Statehouse.

Any student from 6th grade to 12th grade can sign up to serve as a page for a day. Students will be excused from school for the day.

Pages spend a day in the Senate assisting their local legislators. Responsibilities include responding to senators' requests, delivering messages and running errands. The day includes a tour of the Statehouse and observation of a session, if one is in progress.

Those interested in serving as a page should send their name, age, address, phone number and school affiliation to my office. The Page Office will begin accepting requests in November.